

The lawn care industry continues to set records in gross sales and growth. Analysts don't predict a slackening until the late 80s and a leveling off early in the 21st century. Right now, though, the industry is booming with companies becoming more professional and more service-conscious.

A Bull Market

It's a "bull market" in the lawn care industry.

According to the results of a survey done by *Lawn Care Industry* magazine, gross sales of the nation's leading lawn care and landscape management companies in 1983 was a record-setting \$2.22 billion. That represents a 20.2 percent increase over the 1982 figure.

Market growth should continue in the 20 to 25 percent range for the remainder of this decade, but the cloud isn't totally silver-lined. Certification, prenotification, self-policing and expanded services are industry spectres refusing to go away. Market saturation is also hanging heavily over lawn care companies in certain markets.

Industry profile

Respondents to the *Lawn Care Industry* survey indicated that an average of 90.8 percent of their accounts were residential. Translated, that means the readers of the magazine serviced about 6.4 million home lawns in 1983. Overall, more than seven million accounts were serviced.

About 7 out of 10 LCOs are involved in disease control, aeration and/or renovation. Of these add-on services, disease control is slightly more popular with 73.6 percent of the

respondents answering positively. Aeration tasks are undertaken by 71.9 percent of the respondents and renovation by 69.4 percent.

Fifteen percent claim their entire business is chemical lawn care. Another 7 percent claim to do exclusively landscape management accounts.

Where the money goes

The typical survey respondent spends 29.93 percent of his gross receipts on labor, 15.70 percent on fertilizers and pesticides, 7.94 percent on fuel and 4.02 percent on advertising.

The average reader's pretax profit is 20.53 percent. Overall, the predominantly chemical lawn care business scored higher in pretax profit than the predominantly landscape management business, 22.19 percent to 19.58 percent.

Based on these figures, the pretax profits of lawn care businessmen in 1983 were \$456.3 million. They pumped \$665.3 million into the labor market, spent \$176.5 million on fuel for their vehicles and paid \$89.4 million for advertising.

Telemarketing is a relatively new phenomenon to the industry. Just 5.8 percent of the respondents indicated they are involved in a full-blown telemarketing program, though 21.1 per-

cent said they use telephone solicitation as part of their advertising plans. Studies have shown, however, that telemarketing can be more cost-efficient than direct mail, cutting the cost by as much as one-half.

Marty Erbaugh, president of Lawmark Associates, Peninsula, OH, and a former Professional Lawn Care Association of America president, said, "You may choose to avoid the reality of these figures, but telemarketing is here to stay."

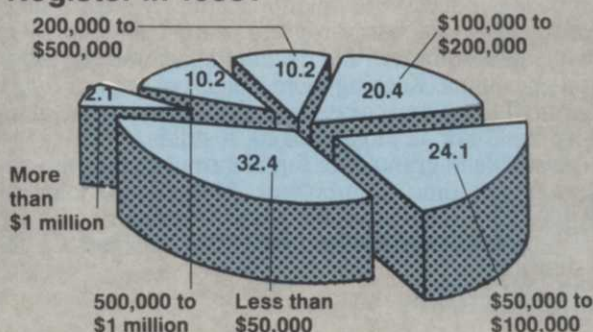
LCO profile

Three out of every four businesses in the lawn and tree care industries DO NOT belong to either a state or regional professional organization, according to the National Urban Pesticide Applicators Survey. The survey, done by Frederick W. Immerman of the Center for Survey Statistics, found that 74.37 percent of all tree/lawn care firms did not belong to a regional or professional organization. Just 18.73 percent of the 3,208 companies said that they did, compared to 41.14 percent of 5,496 structural pest control operators.

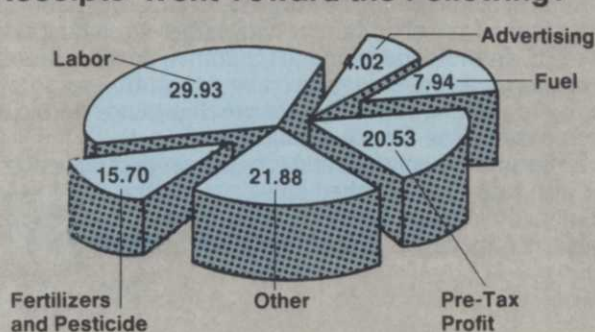
According to the Immerman survey, most of the companies involved in tree or lawn care fell into a bracket of less than \$25,000 gross sales per year.

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How Much Gross Sales Did You Register in 1983?



What Percentage of Your 1983 Gross Receipts Went Toward the Following?



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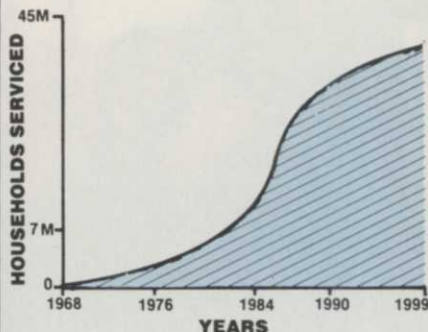
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Lawn Care Growth Curve

Homeowner attitudes also provide insight into the market. Six percent of 45 million owner-occupied single-family homes with lawns in this country contract for professional lawn care. That percentage increased to 13 for homes with incomes more than \$20,000 per year. Of all lawns contracted for professional lawn care, 34 percent are under 5,000 square feet. Fifty-four percent are under 7,500 square feet. Homeowners' biggest lawn problems are weeds (summer annual broadleaf); insects (white grubs); disease (Fusarium blight); and drought injury.

LCOs contacted for the survey had a generally upbeat outlook for the future of the industry.

Down the road

Jim Chapman of Lawn Aid, Bellevue, WA, says he sees the industry growing in two directions.

"There will be companies like mine involved in full service and I also see a need for specialty companies like ChemLawn which may perhaps become even more specialized. There's more money in specialization because there's more satisfaction in full service if you do a good job."

Joe Williams of Lawn Master, Pensacola, FL, ranks pesticide regulation at the top of his list of things affecting his industry's future. Says Williams, "It could be very damaging if it got out of hand. If we don't monitor it ourselves and get control of it—misuse of pesticides, that is—we've got enough of it that environmental groups will definitely take advantage of our mistakes and hurt us all in the long run."

One industry analyst sees lawn care industry sales conforming to a standard bell curve. This means the sales growth rate will start to decrease late in the 80's, and level off early in the 21st century.

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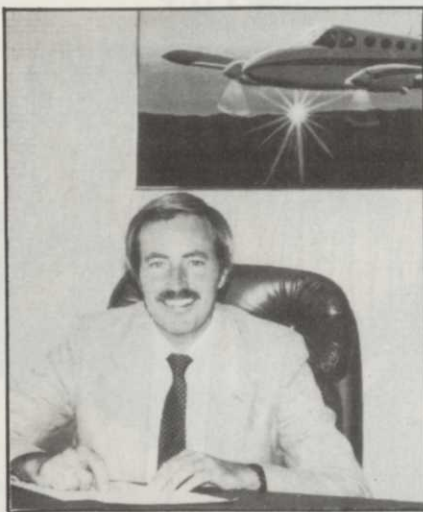
With only six years in the business, Jim Marria's Perma Green, based in Boise, ID, continues to sprout branches in a multi-state area. Even in a saturated market, Perma Green's brand of quality and service has kept it on top of the lawn care market.

Gentleman Jim

by Maureen Hrehocik, managing editor

Six years ago, Jim Marria sat in the garage/office of his newly-formed company, Perma Green. He had one truck, one employee and a secretary—his wife, Karen.

Today, Marria sits in a new office complex overlooking the Boise, ID, airport (where he keeps the company plane), has 45 vehicles, 120 employees, five multi-state branches with plans to open a sixth next year, and has sampled the sweet taste of success. This year Perma Green will do about \$4 million in business; ninety-five percent of that will be residential, the other 10 percent commercial. His



Jim Marria, president and founder of Perma-Green flanked by a drawing of his twin-engine Cessna.

company is a leader in the industry and not even overtures of a buyout by the largest lawn care company in the country has deterred Perma Green's growth and determination.

Growth has been so great that Marria, 35, even got his pilot's license. His twin engine Cessna is a much more efficient way of getting to his company branches in Reno, Spokane and the Tri-City area than driving or commercial flights.

The branch visits have been cut down, though, usually to once a month.

"When you have good managers, you don't need to supervise as much," Marria says.

For all his success, Marria prefers a low profile and downplays his accomplishments. "I'm a good organizer and can accomplish a lot in a short while."

"When you have good managers, you don't need to supervise as much."

Where it all started

Marria's gut feeling that he knew what he was doing and knew the industry well prompted him to start his own business back in '78.

"I also knew we had good people," he says. Much of what Marria learned about lawn care he credits to his eight year tenure with the Davey Tree Service Co. of Kent, OH. There, along



Marria's company is very safety conscious. Worker pictured is wearing boots and mask to apply Oftanol.



Part of Perma-Green's fleet lined up by one of its larger commercial clients, Morrison-Knudsen in downtown Boise.

with Marty Erbaugh, (now owner of Erbaugh Corp., Lawnmark Division, Peninsula, OH), they started Davey Tree's lawn care division.

"We did a lot of research on lawns back then," he relates. "I also read a lot. It was difficult to convince people they needed lawn care. Word of mouth and seeing the product was, in

"It really scares me (pesticide regulation). It's a larger threat than most people perceive."

the end, what convinced them." Marria continues his people-oriented philosophy. He says he looks for people who are willing to give 110 percent.

He, in turn, practices what he preaches. He makes visits to branches as often as necessary, usually about once a month. Before he had the man-

agerial manpower to delegate some of that responsibility, he made visits more often.

"I'm still there to support my managers when they need it."

Marria has two managers who report directly to him. Lowell Troyer is the branch manager and Mike Spicer is division sales manager. There is also a marketing manager and a corporate office manager. All marketing work, including marketing studies, is done internally.

Marria's efficient corporate team affords him time to indulge in one of his favorite pastimes—running. The 35-year-old puts in about five miles a day and in May ran his first marathon—in Paris. Summing up the grueling experience, Marria says, "I finished."

"I was supposed to run the Seattle Marathon, but a week before it, I hurt my leg during a run in San Francisco. I was going to Europe anyway and decided to try to run the Paris marathon. It was a goal."

Back home in Boise, Marria runs frequently in local races.

Biggest threat

Like other concerned lawn care company owners and operators, Marria feels the single thing that could bring the industry to its knees is governmental pesticide regulation.

"There are so many things we (lawn care industry) could cope with, but not this," predicts Marria. "It really scares me. It's a larger threat than most people perceive.

"Our business is to provide green, weed-free lawns," he continues. "If chemicals such as 2,4-D are limited in non-agricultural applications, it could do us in."

Marria feels exposure as an industry is 98 percent of the solution.

"Lawn care operators must join associations and become involved in

"Our service and quality will continue to grow; that's how we will continue to offset the competition."

the Professional Lawn Care Association of America and with the Pesticide Public Policy Foundation."

Nowhere but up

Marria's business continues to grow. Last year, business increased about 30 percent. But, Marria is quick to admit the market is small and it's becoming somewhat saturated.

"Our service and quality will continue to grow; that's how we will continue to offset the competition."

With his increasing managerial responsibilities, Marria does admit missing being out in the field and dealing with people.

Looking back on his experiences and on starting a business, Marria says two things have definitely changed about him.

"I've become a much better businessman. Now there is more and more of a need to do things right. My decisions have a major impact on the future of this company." He pauses and adds with a smile, "I've also gotten a lot more grey hair." **WT&T**

LANDSCAPE MANAGEMENT



Richard Miller, owner of Ever-Green, is a self-confessed workaholic.

as well. He's also a man who believes in his business instincts, then acts on them although he downplays this.

"A lot of us in the lawn care industry have roots in agriculture," he says. "I guess we bring that hard work philosophy of agriculture into this business. Iowa agriculture just seems to breed a bunch of workaholics."

Chuck Kirkpatrick, who does consulting work for Miller, revealed the other side of his client, "He's willing to take risks for the payoffs. He creates an atmosphere that we like. It's a fast-paced, entrepreneurial atmosphere."

"I would have preferred farming, but was pretty sure I'd be broke the rest of my life."

Ever-Green's Gold

The largest lawn care company in Colorado attributes its success to knowing its territory and delivering a quality product.

by Ron Hall, assistant editor

You can tell the boss from the others because he's the only guy wearing bluejeans.

Richard "Dick" Miller, the boss of Ever-Green Lawns, stepped from his office wearing jeans with his sport-coat, a tipoff of sorts that in spite of being the owner and operator of the biggest lawn care business in Colorado, he's about as down to earth as a person can get.

How much more down to earth do you want?

Son of an Iowa farmer, Iowa State University ag graduate. "I would have preferred to have farmed but I was pretty sure I was going to be broke the rest of my life," he says almost wistfully; and, at the relatively young age of 36, he isn't ruling out some farming yet which would be good

news for his competition in the front range of the Rocky Mountains which, when the sun is setting nice and big and red, throw a heck of a shadow well out over the lawns of Miller's 40,000 lawn care customers.

Discard any notions about plans for Miller's imminent retirement, however. His lawn care company is prospering with five branch operations serving customers from Fort Collins to Colorado Springs. Ever-Green Lawns employs 300 and uses more than 70 pieces of equipment.

In spite of his background—or, more correctly because of it—Miller is certainly no hayseed, a hard worker for sure, but no rube. He's the kind of guy who believes in getting to work at 8 a.m. and putting in a full day, which is what he expects from his employees

Revolutionary new truck

In line with that assessment is Miller's latest project, the development and manufacture of a stainless steel tank truck specifically designed for the lawn care industry by Denver Leasing and Manufacturing, the manufacturing arm of Ever-Green Lawns. Like the lawn care business, it too is based in Golden on the fringes of Denver.

"I think this (truck) will be a big deal for us," Miller says. "We've entered the marketplace and we will have a booth in Tampa (Professional Lawn Care Association of America Show Nov. 12-15). I think we've got a better mousetrap and we've accomplished what we set out to do—to produce an extremely high quality item."

The truck, designed and engineered by Bob Smith and Steve Tangsrud, features a low center of gravity, automatic transmission, power steering and handles beautifully, Miller explains, while cutting maintenance and fuel costs in half over models presently in use. "This fits into our philosophy of minimum maintenance. We're not in the lawn business to maintain trucks. We're in business to satisfy customers," he adds. "It (the truck) is a little bit more expensive, but a lot less costly to maintain."



Ever-Green's client list is more than 40,000 strong.

Another related venture is Ever-Green's liquid organic soil builder, Revive, which is sold commercially as well as used extensively in Miller's lawn maintenance business. Last winter Ever-Green purchased Revive from Amesco of Denver. Miller's company had been using the soil builder Revive, composed of plant bi-products, decomposition extracts, and fulvohumates, extensively to improve water penetration into Colorado's hard clay soils for some time.

The truck and Revive ventures are in line with Ever-Green's do-it-yourself, take-control reputation, evident

Ever-Green is looking at a gross of about \$7 million in 1984.

in the Golden sales and production office which, besides the usual array of offices, is equipped with a full-service garage and paint room, printing office, and conference room.

Pivotal year

This year marks Miller's tenth year in the lawn care business and unquestionably a pivotal one. He became aware of the industry as an agricultural sales consultant for Dow

Chemical, came to Denver in 1974 with two partners to start the business as part of Ever-Green of St. Louis and Kansas City, and in 1980 Ever-Green Lawns Corporation in Colorado separated itself completely from the other Ever-Green. The two are not related now.

Miller remembers his step into the lawn care business 10 years ago. "I had a career decision to make. I could have moved to New Jersey, gone back to the farm, or..." The rest is history.

Starting out on what had been a small truck farm in the nearby community of Welby ("you needed strong legs and a loud voice to communicate," one associate recalls) Miller's business grossed \$170,000 that first year. Ever-Green, with branches in Aurora, Golden, Colorado Springs, Littleton, and Windsor, is looking at a gross of about \$7 million in 1984.

Pattern for success

"A couple of things allowed us to grow," Miller explains. "The largest thing was just being locally owned and being able to respond to the needs of the Denver area. We were perceptive enough to figure out the differences in this area as opposed to others. With our continuous irrigation throughout the year we have to apply heavy amounts of fertilizer all year long. We got that under control with sulfur-coated urea."

Ever-Green started buying sulfur-

coated urea from Canada in 1976 ("it meant you could put down more fertilizer in the summer and reduce the risk of burning," he explains) and the lawns maintained by Ever-Green looked better. Miller is convinced it is better to "put down more, charge more and give the customer a lawn that beats the hell" out of the neighbor's lawn.

"Our success is due to our employees," Miller emphasizes. "I've got a

This year marks Miller's tenth year in the lawn care business and is unquestionably a pivotal one.

bunch of neat people. A lot of them have been around here for ages and I guess I feel it's been the growth of the entire organization that has made it successful."

Perhaps the most visible member of Miller's management team the past five years has been staff horticulturist Herb Gundell who was extension agent 30 years for Denver County prior to joining Ever-Green. In addition to putting together three weekly radio spots, Gundell's weekly television show about lawns and gardens is the longest-running television program in Denver. "Anytime you get that kind of run you're very visible," Miller says. "He's a very important part of our organization."

Miller feels the big growth in the Denver lawn care market has peaked, "maxed out," as he puts it. "We'll swap customers and we'll either increase or decrease depending upon the degree of service we provide."

Future plans for Ever-Green?

"There's potential expansion into the tree and shrub business," Miller reflects. "Maybe lawn care in other areas, other states, Dallas maybe. Our expansion plans are kind of in limbo."

As for Miller, with his business now bigger than most of the others in the Denver area combined and the new lawn maintenance truck ready to make its mark on the industry, the farm will have to wait.

"I guess you could probably say I am involved in farming in a way," he reflects.

WT&T

The Black Box

An Iowa contract applicator has improved his company's image and his spraying accuracy by using a sprayer controller. This "black box", Rod Foster thinks, could change the lawn care industry.

The sprayer controller "black box" may become to the turf market what it has become to agriculture, more a necessity than a luxury.

Rod Foster is partner with his father, Verne, in Turf Control, based in Waterloo, IA. The younger Foster started the business three years ago. The company now employs six people.

Turf Control's client list includes schools, hospitals, churches and residential accounts covering about 2,000 acres. Foster says he does about 75 percent commercial work and 25 percent residential.

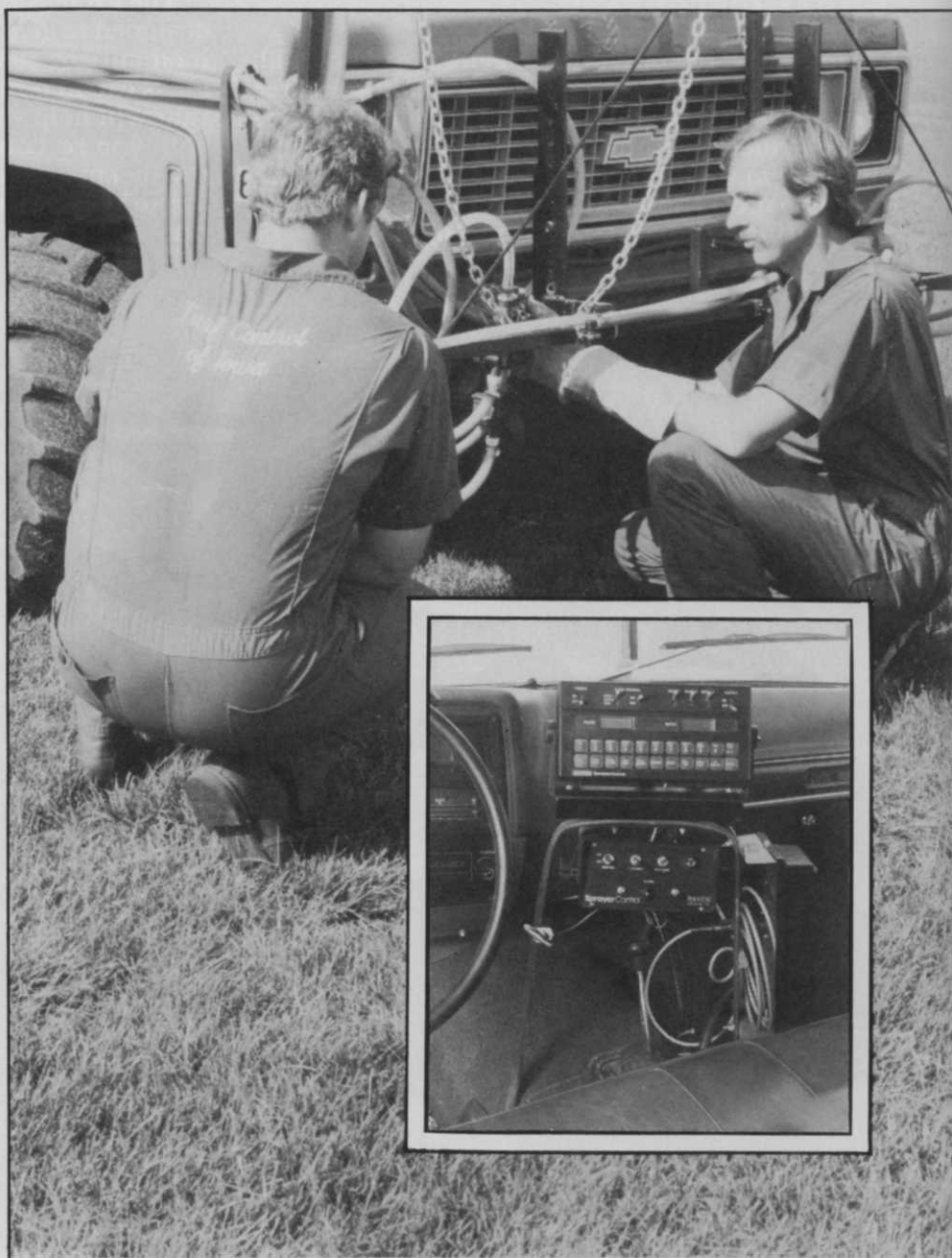
Foster's company is involved in several turf care markets, including residential lawn care, football field maintenance in Eastern Iowa, care of commercial properties such as hospitals, schools and local businesses, custom application for golf courses and many other accounts.

He contends the application accuracy he achieves with his controller is helping build a reputation of high competence for his company.

"I'm in exact compliance with the label and minimize application errors caused by inaccurate equipment calibration," Foster explains. "With the kinds of results possible, I think more people in the turf care industry may soon be using them.

"With this guaranteed accuracy, Foster says he can project a more professional image, he is able to maintain better cost control and he can even serve the environment by guarding against misapplication.

Foster, left, and Mike Wienands adjust the pneumatic no-drip nozzles on their unit. In inset, controller system is mounted within easy reach in the cab of the pick-up sprayer.





Foster's unit sees most of its use on commercial accounts of one to one-and-a-half acres.

In the two seasons Foster has used the electronic sprayer controller system, his average percentage of application error has been just less than three percent.

"On level terrain with few or no obstacles such as a football field, I can come within .03 percent of the target rate," he claims. The University of Nebraska says that application errors of plus or minus 10 percent are considered acceptable for any spray application.

"The accuracy I achieve with the controller assures the results I demand when I bid the job," Foster says. "I can guarantee my work with confidence. There have been times when I have bid jobs higher than the competitors, but the accuracy sells the job."

Foster used a Raven SCS 400 system in 1983 before upgrading to the SCS 440 this season. Both units are controllers, providing automatic control of application rates, maintaining the target flow regardless of vehicle speed.

Virg Huebner, chief engineer for Raven Industries explained the dif-

ference between monitors and controllers.

"The monitor only determines what is happening and tells the operator, usually with a digital display showing the gallons per acre (GPA) being applied, what it sees. The monitor does not adjust the flow rate for the operator.

"The controller, however, meas-

... his average percentage of application error has been just less than three percent.

ures what is happening and uses a motor-driven control valve to adjust spray pressure and compensate for changes in ground speed," Huebner said. "These units thereby maintain the selected application rate at all times."

Controller systems basically con-

sist of only four components:

- a console keyboard, the "brains of a system
- a flow meter, measuring actual flow vehicle speed
- a speed sensor, measuring actual vehicle speed
- a control valve, motorized for fast pressure adjustment.

"The accuracy I achieve with the controller assures the results I demand when I bid the job."

The flow meter and speed sensor send their information to the console, which relays the proper adjustment information to the control valve.

"Any deviation from the pre-programmed GPA is adjusted for by the control valve which adjusts the flow pressure in order to keep the actual GPA constant," Huebner says.

A spray unit equipped with the sprayer controllers sees most of its use on commercial accounts of one to one-and-a-half acres and more. He thinks it's worth using the unit on any tract of land where obstacles can be worked around, simply because of the assurance of an accurate application.

Another aspect Foster tries to stress to customers is environmental. He believes misapplication is a threat to the entire fertilizer and chemical industry as environmental agencies become more concerned with the number of individuals who do not apply within the guidelines of the product labels.

"As an operator, the biggest environmental threat of course, is misapplication," Foster contends. "I push the advantages of using electronic controllers from an environmental standpoint because it is the only sure way of documenting that you are within environmental and labeled safety guidelines. I can be positively sure that I'm putting on legal labeled rates at the proper intervals." **WT&T**